



Bureau of the Public Debt's
Administrative Resource Center

Human Resources Directive Franchise Services

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Subject: Performance and Superior Accomplishment Awards

1. PURPOSE

Performance and Superior Accomplishment awards recognize and reward individual and team contributions toward meeting organizational goals and improving the efficiency, effectiveness, and economy of the government.

This document:

- a. Outlines the regulatory requirements for Performance and Superior Accomplishment awards.
- b. Provides guidance and procedures to assist managers and supervisors in preparing and submitting awards for processing by Administrative Resource Center, Human Resources Division (HRD) staff.

Note: This document does not address agency-specific requirements, qualifications, restrictions, or limitations.

2. SCOPE

This guidance does not apply to Executive Service and Senior Executive Service (SES) employees.

Awards may be given to former employees, to the legal heirs or estates of deceased employees, and, in rare instances, to employees of federal agencies associated with the recommending bureau's or agency's mission.

Special Considerations for Schedule C political appointments:

Agencies have been asked to refrain from giving awards to political appointees (i.e., Executive Schedule; noncareer SES, Schedule C employees) paid a salary level that exceeds that of a GS-12 and to grant monetary awards to others only for performance that is clearly exceptional. Agencies should recognize other political appointees through the prudent use of non-monetary awards.

3. AUTHORITIES

This guidance reflects the requirements and limitations cited in 5 USC Chapters 43, 45 and 53, and 5 CFR Parts 430, 451 and 531.

4. RESPONSIBILITIES

Director, HRD. Responsible for administrative oversight of award guidance and processing.

Manager, Payroll and Employee Services Operations (PESO) Branch. Responsible individually and through PESO Branch staff for:

- (1) Providing assistance and advice regarding appropriate award documentation and approval processes.
- (2) Documenting and paying approved awards in an accurate and timely manner.

5. DEFINITIONS

- a. Approving Official. Individual who has authority to approve both the award and the expenditure of funds. The Approving Official may be the same as the Recommending Official.

- b. Award. An action taken to recognize and reward individual or team achievement that contributes to meeting organizational goals or improving the efficiency, effectiveness, and economy of the government.
- c. Basic pay. If a performance award is paid as a percentage of basic pay, the rate of basic pay cannot include locality pay, interim geographical adjustments, or special law enforcement adjustments.
- d. Contribution. An accomplishment achieved through individual or group effort, improving the efficiency, economy, and effectiveness of government operations.
- e. Current final rating of record. The most recently completed annual performance rating.
- f. Employee Performance File (EPF). File in which the award recommendation, justification, and supporting documentation are maintained for four years.
- g. Group award. Any single award that recognizes the contributions of more than one individual.
- h. Honorary awards. Letters, certificates, medals, plaques, citations, badges, or similar non-monetary items that have the meaning of an award or honor. (Time-off awards are not honorary awards.)
- i. Intangible benefits. Benefits or savings to the government that cannot be measured in terms of dollar savings.
- j. Monetary award. Any award paid in the form of cash or time-off.
- k. Non-monetary award. See definition of “Honorary awards.”
- l. Official Personnel Folder (OPF). Folder maintained by HRD that includes records of all personnel actions during federal government employment.
- m. Performance award (PA). Cash award based on the current final rating of record. Included in this category are cash awards and QSIs.
- n. Quality Step Increase (QSI). A one-time increase in basic pay from one step of the GS or GM pay scale to the next. QSIs may be granted in recognition of performance at Level 5 (“Outstanding” or equivalent).
- o. Recommending Official. Usually the initiator of an award and the official who made the work assignment for which the award is being given. The Recommending Official may be the same as the Approving Official.
- p. Special Act award (SA). Award based on documentation of individual’s or group’s exceptional contributions during a one-time, non-recurrent project, program, or activity. The award amount should reflect the value of the contribution.
- q. Suggestion award. Award granted to an individual or group for an adopted suggestion. The suggestion must improve the operation of the government and be adopted for use. This type of award also includes inventions.
- r. Superior Accomplishment award. Monetary or non-monetary award based on documentation of individual’s or group’s exceptional contributions during a one-time, non-recurrent project, program, or activity. This category includes Special Act, Suggestion, and Honorary awards. Monetary awards in this category can be paid in the form of cash or time-off.
- s. Tangible benefits. Benefits or savings to the government that can be measured in terms of dollars.
- t. Time-Off award. Superior Accomplishment award (Special Act or Suggestion) that is paid in the form of time-off from duty, without loss of pay or charge to leave. Award amount is determined by the value of the contribution.

6. AWARD CATEGORIES

Performance awards are monetary awards that are based on current final ratings of record. They require no documentation beyond the appraisal document and approval of the award. Performance awards include cash, time-off, and QSIs.

Superior Accomplishment awards are for contributions of a non-recurring nature outside normal performance requirements. They can be monetary (cash or time-off) or honorary (non-monetary) in nature. Superior Accomplishment awards require written justification and include all awards which are not based on final ratings of record.

7. FORMS OF RECOGNITION

Monetary awards include cash, time-off, and QSIs.

Honorary (non-monetary) awards include any recognition with nominal or no monetary value, such as Letters of Commendation, certificates, plaques, etc. Honorary recognition may be used alone (to recognize a contribution for which a monetary award is not appropriate) or in conjunction with a monetary award (to enhance it).

8. GENERAL PROVISIONS

- a. Awards must be based on contributions which:
 - (1) Met organizational goals or improved the efficiency, effectiveness, or economy of the government.
 - (2) Were made while the contributor was the employee of the recommending agency (or, in rare instances, the employee of an associated federal agency).
 - (3) Were described in writing.
- b. Most awards can be submitted using [PD F 5408](#) (Recommendation for Award). While use of this form is not required, Recommending/Approving Officials are encouraged to use it in order to ensure that all necessary information is provided. However, any format may be used as long as the information required for each type of award is provided. (See “Submitting the Award” for each award type.)
- c. Payment of awards is normally received in the employee’s regular pay approximately three weeks after the date processed.
- d. Cash awards are in addition to regular pay and are subject to taxes. Award amounts may not be adjusted upward to cover the taxes.
- e. General approval authorities:
 - (1) Bureau and agency heads can approve awards not to exceed \$10,000 per individual.
 - (2) OPM must approve awards from \$10,001 - \$25,000 per individual.
 - (3) The President must approve individual awards exceeding \$25,000.
- f. Accepting an award for a suggestion or invention means the government can use the idea, method or invention. It also stops any further claim against the government for compensation in connection with the suggestion or invention.
- g. Documentation:
 - (1) Approved awards are documented for four years in the employee's EPF.
 - (2) Awards are also documented in the employee's OPF in the form of an SF 50 “Notifications of Personnel Action.” This record is maintained for as long as the employee remains employed by the current agency.
- h. Use of time-off is subject to supervisory approval.

9. ATTACHMENTS

- a. Performance Awards - Attachment 1
- b. Quality Step Increases - Attachment 2
- c. Superior Accomplishment Awards for Special Acts - Attachment 3
- d. Superior Accomplishment Awards for Suggestions - Attachment 4
- e. Superior Accomplishment Awards - Honorary Awards - Attachment 5
- f. Tangible/Intangible Benefits Tables - Attachment 6

10. OFFICE OF PRIMARY INTEREST

Administrative Resource Center, Human Resources Division.
Franchise Customers (as appropriate)

Thomas W. Harrison, Executive Director
Administrative Resource Center

PERFORMANCE AWARDS

Basic Requirements

- a. The final rating of record on which the award is based must reflect performance which contributes to meeting organizational goals or improving the efficiency, effectiveness, and economy of the government.
- b. The award must be approved by a supervisor or manager who has been authorized by the agency to approve such awards.

Amount of Award

- a. Award amounts are at the discretion of the Approving Official.
- b. Awards can be in specified dollar amounts, percentages of basic pay, or hours of time-off.
- c. A cash award may not normally exceed 10% of the employee's annual basic pay. Agency heads may approve awards not exceeding 20% of annual basic pay in recognition of exceptional performance.
- d. If a percentage of basic pay is requested, the basic pay on the last day of the rating cycle shown on the rating of record will be used to calculate the award, unless otherwise requested.
- e. "Basic pay" (for award purposes) does not include locality pay, interim geographic adjustments or special law enforcement adjustments.

Form of Payment

Performance awards may be paid in the form of cash or time-off. The desired form of payment should be indicated on the award recommendation.

See **"Using Time-Off"** (below) for special provisions concerning the use of time-off.

Submitting the Award

- a. Awards can be submitted in any of the following ways:
 - (1) Write the desired dollar amount, percentage of basic pay or hours of time-off on the face of the final rating of record, along with the Approving Official's signature.
 - (2) Attach a memo to the final rating of record which includes the desired award amount, percentage of basic pay or hours of time-off, and the signature of the Approving Official.
 - (3) Complete [PD F 5408](#) (Recommendation for Award) and attach the appraisal to it.
- b. Performance awards should be submitted at the same time the current final rating of record is submitted for processing.
- c. Final ratings of record and associated performance awards should be sent to the Labor and Employee Relations Branch.

Processing the Award

Upon receipt, HRD staff will process the award for payment and prepare the appropriate documentation. If there are questions or concerns about the award, the Approving Official will be contacted promptly.

Using Time-Off

- a. If an award is to be paid in the form of time-off, PESO Branch will send a notice of the approved award and a log sheet to the awardee's timekeeper.
- b. Time-off can be used any time after the "Effective date of award" shown on the timekeeper's log sheet.
- c. Timekeepers must manually track the use of time-off.
- d. Time-off should be scheduled and used prior to accrued annual leave, unless the accrued annual leave is subject to forfeiture.
- e. Time-off can be used in increments of as little as 15 minutes.
- f. Use of time-off is usually subject to approval by management under the same criteria established for the use of accrued annual leave.
- g. If illness occurs during time-off granted under this program, the employee may request sick leave instead of using time-off.
- h. Time-off cannot be converted to a cash payment under any circumstances.
- i. Unused time-off will usually be forfeited when the employee separates from the granting agency.

QUALITY STEP INCREASES

Basic Requirements

A QSI may be granted when all of the following conditions are met:

- a. It is based on a final rating of record of Level 5 (“Outstanding” or equivalent).
- b. The employee is in the GS or GM pay plan.
- c. The employee is not a Step 10.
- f. The employee has not received a QSI in the last 52 weeks.
- e. The award has been approved by a supervisor or manager authorized by the agency to approve such awards.

Effect of QSI on Within-Grade Waiting Period

Approval of a QSI does not change an employee's waiting period for the next within-grade increase. If the QSI places the employee in step 4 or 7 of the pay scale, the waiting period is extended by 1 year because these steps require a longer waiting period.

Example: An employee has served 6 months at step 3 when he is granted a QSI to step 4. There is a 24-month waiting period to move from step 4 to step 5, so the employee must serve 18 months at the step 4.

Submitting the Award

- a. The award can be submitted in any of the following ways:
 - (1) Note on the face of the final rating of record that a QSI is requested, along with the Approving Official's signature.
 - (2) Attach a memo to the final rating of record which includes the request for a QSI and the signature of the Approving Official.
 - (3) Complete [PDF F 5408](#) (Recommendation for Award) and attach the appraisal to it.
- b. QSIs should be requested at the same time the current final rating of record is submitted for processing.
- c. Final ratings of record and associated QSIs should be sent to the Labor and Employee Relations Branch.

Processing the Award

Upon receipt, HRD staff will process the award and prepare the appropriate documentation. If there are questions or concerns about the award, the Approving Official will be contacted promptly.

The step increase will usually be effective at the beginning of the pay period after it is received in HRD.

SUPERIOR ACCOMPLISHMENT AWARDS for Special Acts

Basic Requirements	<p>“Special Act” awards are monetary awards. They may be granted for achievements, productivity gains, or other personal efforts that contribute to the efficiency, economy, or other improvement of government operations or achieve a significant reduction in paperwork.</p>
Amount of Award	<p>The amount of SA awards, whether cash or time-off, should reflect the value of the contribution to the government.</p> <p>One way to determine award amounts is to consider the tangible and intangible benefits from the employee’s contribution and to apply those benefits to an award chart. The tables in Attachment 6 may be helpful.</p>
Form of Payment	<p>SA awards may be paid in the form of cash or time-off. The desired form of payment should be indicated on the award recommendation when the award is submitted.</p> <p>See “Using Time-Off” (below) for special provisions concerning the use of time-off.</p>
Submitting the Award	<ol style="list-style-type: none"> a. SA awards may be submitted in any manner which includes all of the following items: <ol style="list-style-type: none"> (1) Name and social security number of awardee. (2) Time period during which the contribution occurred. (3) Justification for the award. (4) Award amount (in dollars or hours of time-off). (5) Appropriate approval signature and date. b. Recommending/Approving Officials are encouraged to use PD F 5408 (Recommendation for Award) in order to ensure that all necessary information is provided. c. Awards should be sent to the PESO Branch.
Processing the Award	<p>Upon receipt, HRD staff will process the award for payment and prepare the appropriate documentation. If there are questions or concerns about the award, the Approving Official will be contacted promptly.</p> <p>Awards are usually effective at the beginning of the pay period after they are received in HRD.</p> <ul style="list-style-type: none"> • Employees will receive cash awards in their regular pay approximately three weeks after the effective date. • Employees can use time-off on or after the effective date.
Using Time-Off	<ol style="list-style-type: none"> a. If an award is to be paid in the form of time-off, PESO Branch staff will send a notice of the approved award and a log sheet to the awardee’s timekeeper. b. Time-off can be used any time after the “Effective date of award” shown on the timekeeper’s log sheet.

- c. Timekeepers must manually track the use of time-off.
- d. Time-off should be scheduled and used prior to accrued annual leave, unless the accrued annual leave is subject to forfeiture.
- e. Time-off can be used in increments of as little as 15 minutes.
- f. Use of time-off is usually subject to approval by management under the same criteria established for the use of accrued annual leave.
- g. If illness occurs during time-off granted under this program, the employee may request sick leave instead of using time-off.
- h. Time-off cannot be converted to a cash payment under any circumstances.
- i. Unused time-off is usually forfeited when the employee separates from the granting agency.

SUPERIOR ACCOMPLISHMENT AWARDS for Suggestions

Basic Requirements

To be eligible for an award, a suggestion must result in an improvement which does at least one of the following:

- Contributes directly to the economy, efficiency or increased effectiveness of operations.
- Results in significant monetary savings.
- Improves the use and/or conservation of energy resources.

A suggestion must be adopted before receiving consideration for an award. A suggestion is considered "adopted" when it has been put into operation or when a commitment has been made to put it into operation. Suggestions may be submitted and evaluated in any way which is acceptable to the agency.

Amount of Award

The amount of suggestion awards, whether cash or time-off, should reflect the value of the contribution to the government.

One way to determine award amounts is to consider the tangible and intangible benefits from the employee's suggestion and to apply those benefits to an award chart. The tables in Attachment 6 may be helpful.

Form of Payment

Suggestion awards may be paid in the form of cash or time-off. The desired form of payment should be indicated on the award recommendation.

See "**Using Time-Off**" (below) for special provisions concerning the use of time-off.

Submitting the Award

- a. Awards may be submitted in any form which includes the following items:
 - (1) Name and social security number of awardee.
 - (2) The tangible and/or intangible benefits of the suggestion.
 - (3) The first year savings, if the award is based on tangible benefits.
 - (4) Award amount, in dollars or hours of time-off.
 - (5) Appropriate approval signature and date.
- b. Recommending/Approving Officials are encouraged to use [PD F 5408](#) (Recommendation for Award) in order to ensure that all necessary information is provided.
- c. Awards should be sent to the PESO Branch.

Processing the Award

Upon receipt, HRD staff will process the award for payment and prepare the appropriate documentation. If there are questions or concerns about the award, the Approving Official will be contacted promptly.

Awards are usually effective at the beginning of the pay period after they are received in HRD.

- Employees will receive cash awards in their regular pay approximately three weeks after the effective date.
- Employees can use time-off on or after the effective date.

Using Time-Off

- a. If an award is to be paid in the form of time-off, PESO Branch staff will send a notice of the approved award and a log sheet to the awardee's timekeeper.

- b. Time-off can be used any time after the “Effective date of award” shown on the timekeeper’s log sheet.
- c. Timekeepers must manually track the use of time-off.
- d. Time-off should be scheduled and used prior to accrued annual leave, unless the accrued annual leave is subject to forfeiture.
- e. Time-off can be used in increments of as little as 15 minutes.
- f. Use of time-off is usually subject to approval by management under the same criteria established for the use of accrued annual leave.
- g. If illness occurs during time-off granted under this program, the employee may request sick leave instead of using time-off.
- h. Time-off cannot be converted to a cash payment under any circumstances.
- i. Unused time-off is usually forfeited when the employee separates from the granting agency.

SUPERIOR ACCOMPLISHMENT AWARDS – Honorary Awards

Basic Requirements

Honorary awards may be granted for any type of personal effort or achievement which, while worthy of recognition, does not meet the level of a monetary award. Honorary awards take the form of letters, certificates, medals, plaques, citations, badges, or similar non-monetary items that have the meaning of an award or honor.

Submitting the Award

- a. Honorary awards may be submitted in any form which includes all of the following items:
 - (1) Name and social security number of awardee.
 - (2) Brief justification for the award (or a copy of the citation, Letter of Commendation or other documentation).
 - (3) Appropriate approval signature and date.
- b. Recommending/Approving Officials are encouraged to use [PD F 5408](#) (Recommendation for Award) in order to ensure that all necessary information is provided.
- c. Copies of award documents ([PD F 5408](#), letters, citations, etc.) should be sent to the PESO Branch.

Processing the Award

Upon receipt, HRD staff will process the award and prepare the appropriate documentation. If there are questions or concerns about the award, the Approving Official will be contacted promptly.

AMOUNTS FOR AWARDS BASED ON TANGIBLE BENEFITS

BENEFIT*	AMOUNT OF AWARD
Up to \$10,000	10% of benefit (Must be at least \$100)
\$10,000 to \$100,000	\$1,000 for the first \$10,000 plus 3% of benefit over \$10,000
Over \$100,000	\$3,700 for the first \$100,000 plus .5% of benefits over \$100,000

* The amount of the benefit is an estimate of the net monetary savings for a 12 month period. If high start-up costs are involved, this estimate may be spread over several years.

AMOUNTS FOR AWARDS BASED ON INTANGIBLE BENEFITS

Determine where the benefits of the contribution fall in terms of both the **value of the benefit** and the **extent of application**. The recommended award range is where the selected row and column intersect.

← EXTENT OF APPLICATION →

VALUE OF BENEFIT ↓ ↓	LIMITED: affects functions, mission or personnel of one office, facility, installation, regional area, or an organizational element of headquarters. Affects a small area of science/technology.	BROAD: affects functions, mission or personnel of an entire regional area, command or bureau. Affects an important area of science/technology.	GENERAL: affects functions, mission or personnel of several regional areas or commands, or an entire department or agency. Affects a broad area of science or technology.	GOV'T-WIDE/NAT'L: affects functions, mission or personnel of more than one department, agency, or is in the public interest through-out the Nation or beyond.
MODERATE: change or modification of an operating principle or procedure with limited impact or use.	\$ 25 - 125	\$ 125 - 325	\$ 325 - 650	\$ 650 - 1,300
SUBSTANTIAL: substantial change or modification or procedures; an important improvement to the value of a product, activity, program, or service to the public.	\$ 125 - 325	\$ 325 - 650	\$ 650 - 1,300	\$1,300 - 3,250
HIGH: complete revision of a basic principle or procedure; a highly significant improvement to the value of a product or service.	\$ 325 - 650	\$ 650 - 1,300	\$ 1,300 - 3,150	\$ 3,150 - 6,300
EXCEPTIONAL: initiation of a new principle or major procedure; a superior improvement to the quality of a critical product, activity, program, or service to the public.	\$ 650 - 1,300	\$ 1,300 - 3,150	\$ 3,150 - 6,300	\$ 6,300 - 10,000

SCALE FOR TIME-OFF AWARDS FOR A SINGLE CONTRIBUTION

Determine where the benefits of the contribution fall in terms of both the **value of the benefit** and the **extent of application**. The recommended award range is where the selected row and column intersect.

← EXTENT OF APPLICATION →

VALUE OF BENEFIT ↓ ↓	LIMITED: Affects functions, mission or personnel of one office, facility, installation, regional area or an organizational element of headquarters. Affects a small area of science or technology.	BROAD: Affects functions, mission or personnel of an entire regional area, command or bureau. Affects an important area of science or technology.	GENERAL: Affects functions, mission or personnel of several regional areas or commands, or an entire department or agency. Affects a broad area of science or technology.	GOV'T-WIDE/NAT'L: Affects functions, mission or personnel of more than one department or agency, or is in the public interest through-out the Nation or beyond.
MODERATE: Change or modification of an operating principle or procedure with limited impact or use.	1 TO 4 HOURS	5 TO 8 HOURS	9 TO 16 HOURS	17 TO 24 HOURS
SUBSTANTIAL: Substantial change or modification of procedures; an important improvement to the value of a product, activity, program or service to the public.	5 TO 8 HOURS	9 TO 16 HOURS	17 TO 24 HOURS	25 TO 32 HOURS
HIGH: Complete revision of a basic principle or procedure; a highly significant improvement to the value of a product or service.	9 TO 16 HOURS	17 TO 24 HOURS	25 TO 32 HOURS	33 TO 40 HOURS
EXCEPTIONAL: Initiation of a new principle or major procedure; a superior improvement to the quality of a critical product, activity, program or service to the public.	17 TO 24 HOURS	25 TO 32 HOURS	33 TO 40 HOURS	40 HOURS